

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA**

1. UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
vs.)	CIV-16- 507-D
)	
1. CYNTHIA ALSEPT,)	
)	
Defendant.)	

COMPLAINT UNDER THE FALSE CLAIMS ACT

Plaintiff, the United States of America, on behalf of its agency, the Social Security Administration and United States Treasury, states as follows:

JURISDICTION AND VENUE

1. This action arises under False Claims Act, 31 U.S.C. §§ 3729-33, and includes closely related claims of unjust enrichment, and Common Law Fraud, 28 U.S.C. §§ 2415(a) and 2416(c).

2. This Court has jurisdiction under 28 U.S.C. § 1345, 28 U.S.C. §§ 2415(a) and 2416 (c), and 31 U.S.C. § 3730(a).

3. With regard to the United States' claim, venue lies in the Western District of Oklahoma where the violations of 31 U.S.C. § 3729 described herein occurred.

PARTIES

4. Plaintiff is the United States of America, on behalf of the Social Security Administration ("SSA") and the United States Treasury (together the "United States").

5. Defendant is Cynthia Alsept ("Defendant").

SUPPLEMENTAL SECURITY INCOME

6. Supplemental Security Income (SSI) payments are made to persons who have attained age 65 or who are blind or disabled. The program objective is to provide supplemental income to those whose income and resources are below specified levels. No work credits are necessary for entitlement under this program. SSI cases are periodically reviewed to make sure that people getting benefits are still eligible and that they are being paid the correct amount.

The eligibility of an individual is determined based on a monthly assessment of the individual's income and resources. The amount of the SSI benefit depends on how much other income an individual receives, the living arrangements, and other circumstances that affect an individual's financial needs.

Marital status affects benefit rates and the counting of income and resources in determining eligibility. If an eligible SSI recipient resides in the same household with an ineligible spouse, the income and resources of the ineligible spouse are "deemed" available to the eligible individual.

DEFENDANT'S CONDUCT APPLICABLE TO ALL COUNTS

7. Defendant became entitled to SSI benefits in March 2007.

8. Defendant was married on April 6, 2012 and did not report her marriage to SSA per SSA requirements.

9. The Defendant's husband is considered an ineligible spouse. His income is deemed available to Defendant.

10. Defendant failed to report her marriage to SSI until November 6, 2015. Due to her spouses income she was no longer eligible to receive SSA benefits.

11. During the period from May 2012 through November 2015, Defendant received SSI representative payee benefits totaling \$30,819.00 to which she was not entitled due to her husbands income.

12. Defendant unlawfully, knowingly, and willfully embezzled, stole, and/or converted \$30,819.00 in SSI benefits.

COUNT I
False Claims Act
31 U.S.C. §§ 3729-3733

13. Paragraphs 1 through 12 are re-alleged as though set forth fully herein.

14. From on or about May 2012 through November 2015, Defendant knowingly received benefits from SSI for which she was not entitled.

15. Defendant knowingly made fraudulent claims by receiving Social Security benefits.

16. The word "knowingly" is used in this Complaint as defined in the False Claim Act as "a person, with respect to information -- (1) has actual knowledge of the information; (2) acts in deliberate ignorance of the truth or falsity of the information; or (3) acts in reckless disregard of the truth or falsity of the information." 31 U.S.C. § 3729(b).

17. Because of Defendant's acts, the United States sustained damages in an amount to be determined at trial, and Defendant is liable for triple damages of at least \$92,457.00 (i.e., \$30,819.00 in damages, as described in above, times three).

COUNT II
Common Law Fraud

18. Paragraphs 1 through 12 are re-alleged as though set forth fully herein.

19. Defendant knew her representations were false, which resulted in claims being submitted to an agent of the United States for payment.

20. Defendant made the representations set forth in the preceding paragraph intending to induce the United States to rely thereon.

21. Defendant fraudulently concealed material facts which she had a duty to disclose.

22. The United States relied upon Defendants' false representations and concealment of material fact, and as a result, has been damaged in the amount to be determined at trial.

COUNT III
Unjust Enrichment

23. Paragraphs 1 through 12 are re-alleged as though fully set forth herein.

24. Because of Defendant's conduct, she received \$30,819.00 in Federal funds to which she was not entitled.

25. Defendant has been unjustly enriched to the detriment of the United States in an amount to be determined at trial.

COUNT IV
Payment Under Mistake of Fact

26. Paragraphs 1 through 12 are re-alleged as though set forth fully herein.

27. The false and fraudulent representations made by Defendant concerning the \$30,819.00 were material to the Government's decision to pay these claims.

28. The United States, relying on Defendant's false and fraudulent representations, made payments resulting in damages to the United States in the amount of \$30,819.00 or such amounts to be proven at trial.

Conclusion

WHEREFORE, the United States demands and prays that judgments are entered in its favor and against Defendants as follows:

- a. Under Count I, for triple damages of at least \$92,457.00 (i.e., \$30,819.00 in damages, times three), or an amount to be determined at trial;
- b. Under Counts II for compensatory and punitive damages to be determined at trial, plus interest and costs;
- c. Under Counts III and IV for an amount to be determined at trial, plus interest and costs; and
- d. To all other relief to which the United States may be entitled.

Dated this 13th day of May, 2015.

Respectfully submitted,

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